GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2135
ANSWERED ON:05.12.2014
REVIEW OF NEW PENSION SCHEME
Sethi Shri Arjun Charan

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has examined the efficacy of the new pension scheme in comparison to the old pension scheme;

(b) if so, the details thereof;

(c) whether the Government has examined the returns on the investment made from the contribution of the employees through the new pension scheme; and

(d) if so, the details thereof?

Answer

FINANCE MINISTER (SHRI ARUN JAITLEY)

(a) & (b) The Government has not undertaken any comparative study to examine the efficacy of the National Pension System (NPS) (earlier known as the New Pension Scheme) vis-a-vis, the old defined benefit scheme.

However, the NPS was launched based on the need for pension reforms felt by the Government of India in the year 2003, to meet obligations related to pensions in a sustainable manner. The NPS for Government employees is conceived on sound principles involving regular contributions by the employee and the Government, and prudent investment of the corpus under regulatory supervision.

(c)&(d) Yes, sir. The returns on annual compounding basis on the Central Government Sector under NPS since its inception i.e. 01.04.2008 for the period ending, are as given below:

2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
12.02%	12.06%	10.72%	9.41%	9.99%	9.11%